EXHIBIT N

Antwerp Diamond Bank NV

Borrowing Base Certificate

Date : | 11/30/2008 |

Client : Lazare Kaplan Int. Inc.

Credit line ADB NY: 45,000,000 USD
Credit line ADB HO :   25,000,000 USD
Credit line HSBC :   0 USD
Credit line Bank Leumi :   10,000,000 USD
Credit line ABN Amro :   40,294,000 USD
Total banking facility : 120,294,000 USD

Formula : 75% of total bank withdrawals is to be covered by gross receivables (excluding A/R due from affiliated companies and joint-ventures); the remainder to be covered by inventory at 50%

Receivables

LKI Inc. *	Total receivables		USD	36,027,000
	Ineligible receivables (due from affiliated companies)	-	USD	8,930,000
LKB	Total receivables	+	USD	40,977,000
	Ineligible receivables (due from affiliated companies)	-	USD	111,000
	Ineligible receivables (financed at ADB HO)	-	USD	0
LK Japan	Total receivables	+	USD	2,029,000
	Ineligible receivables (due from affiliated companies)	-	USD	0
Bellataire	Total receivables	+	USD	8,536,000
	Ineligible receivables (due from affiliated companies)	-	USD	0

* contains the receivables in Lazare Kaplan Division (New York) and Preferred Diamonds Division (New York)

Gross eligible receivables   78,528,000 [1]

Payables

Total payables   USD | 77,949,000 |

Inventory

In house   USD | 89,705,000 |
On consignment   + USD | 34,020,000 |

Total inventory   USD   123,725,000

Total inventory   x advance rate of   50%   USD   61,862,500 [2]

Bank debt

Bank debt ADB NY		USD	39,766,000	(should not exceed 45,000,000 USD)
Bank debt ADB HO	+	USD	2,815,000	(should not exceed 25,000,000 USD)
Bank debt HSBC	+	USD	0	(should not exceed 0 USD)
Bank debt Bank Leumi	+	USD	7,800,000	(should not exceed 10,000,000 USD)
Bank debt ABN Amro	+	USD	29,883,000	(should not exceed 40,294,000 USD)

Total bank debt   80,264,000 [3]

Balance gross accounts receivables [1]   USD   78,528,000
Bank debt [2] x   75% (=min. % to be covered by rec.)   - USD   60,198,000

Balance   USD   18,330,000 [A]

Balance eligible accounts receivables [A]   USD   18,330,000
Total inventory x advance rate   50% [2] + USD   61,862,500
Bank debt [3] x   25% (=max. % to be covered by inventory) - USD   20,066,000

Balance   USD   60,126,500 [B]

If either A or B is negative, the credit is out of formula.

Maximum total bank withdrawal for the next period   USD   104,704,000   [C]
Bank debt other bank(s)   USD   40,498,000   [D]

Total maximum withdrawal at ADB for the next period (*)   USD   45,000,000

(*) = lesser amount of (i) credit limit ADB or (ii) ([C] - [D]); this amount will vary depending on withdrawals at other banks

Date 12/31/08   Signature(s)